01FN046US **AFTER FINAL: EXPEDITED ACTION**

02230028aa

Amendment dated 02/01/2005

Reply to office action mailed 12/15/2004

REMARKS

Claims 1-2 and 5-8 are currently pending in the application. By this amendment, claims 1 and 6 are amended for the Examiner's consideration, and claim 7 is canceled. The foregoing separate sheets marked as "Listing of Claims" shows all the claims in the application, with an indication of the current status of each.

In the specification, the paragraph beginning at page 82, line 18 has been amended to conform to drawing Figure 99.

The Examiner has rejected claims 6-8 under 35 U.S.C. §112, second paragraph, for indefiniteness on the grounds that these claims are inconsistent with the elected embodiment. In order to overcome this rejection, the separate magnetic layer element has been removed, claim 7 has been canceled, and an underlying layer for the vertical bias layer has been added, so that the claim comports with Figure 12.

The Examiner has rejected claims 1, 2 and 5 under 35 U.S.C. §102(e) as being anticipated by U.S. Patent No. 6,469,879 to Redon et al. ("Redon"). The present amendment overcomes the Redon reference by more particularly describing the underlying layer to the free layer, which is shown in Figure 12 as extending beyond the free layer over the vertical bias layer. Thus, since the multi-layer embodiment of free layer 20 shown in Figure 3 of Redon does not describe or suggest an underlying layer to a free layer with such an extension, the Examiner's interpretation is moot and the rejection is overcome.

In order to distinguish amended claim 6 from both Redon and claim 1, the further limitation of an underlying layer to the vertical bias layer has been added, as described in the specification at page 27, line 26, page 28, lines 16-18, page 29, lines 21-24, and page 34, lines 20-28. Redon fails to disclose such an underlying layer. The same distinguishing limitation also applies to dependent claim 8.

In view of the foregoing, it is requested that the application be reconsidered, that claims 1-2, 5-6 and 8 be allowed, and that the application be passed to issue.

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Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at 703-787-9400 (fax: 703-787-7557; email: clyde@wcc-ip.com) to discuss any other changes deemed necessary in a telephonic or personal interview.

If an extension of time is required for this response to be considered as being timely filed, a conditional petition is hereby made for such extension of time. Please charge any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 50-2041.

Respectfully submitted,

Clyde R Christofferson Reg. No. 34,138

Whitham, Curtis & Christofferson, P.C. 11491 Sunset Hills Road, Suite 340 Reston, VA 20190 703-787-9400 703-787-7557 (fax)

Customer No. 30743